

ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY

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E-01787A
Navopache Electric Cooperative, Inc.
~~P.O. Box 308~~ 1878 W White Mountain Blvd
Lakeside, AZ 85929

ANNUAL REPORT

RECEIVED

MAR 22 2006

FOR YEAR ENDING **Z Corporation Commission**
Director of Utilities

12	31	2005
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FOR COMMISSION USE

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PROCESSED BY:

3-24-06 RF

SCANNED

COMPANY INFORMATION

Company Name (Business Name) NAVOPACHE ELECTRIC COOPERATIVE, INC.		
Mailing Address 1878 W WHITE MOUNTAIN BLVD.		
LAKESIDE	ARIZONA	85929
(City)	(State)	(Zip)
(928) 368-5118	(928) 368-6038	
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)
Email Address podair@navopache.org		
Local Office Mailing Address 1878 W WHITE MOUNTAIN BLVD.		
LAKESIDE	ARIZONA	85929
(City)	(State)	(Zip)
(928) 368-5118	(928) 368-6038	
Local Office Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)
Email Address podair@navopache		

MANAGEMENT INFORMATION

Management Contact: PAUL O'DAIR, MANAGER OF FINANCIAL SERVICES			
(Name)		(Title)	
1878 W WHITE MOUNTAIN BLVD, LAKESIDE, AZ 85929			
(Street)	(City)	(State)	(Zip)
(928) 368-5118	(928) 368-6038		
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)	
Email Address podair@navopache.org			
On Site Manager: JON K MILES, GENERAL MANAGER			
(Name)			
1878 W WHITE MOUNTAIN BLVD, LAKESIDE, AZ 85929			
(Street)	(City)	(State)	(Zip)
(928) 368-5118	(928) 368-6038		
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)	
Email Address jmiles@navopache.org			

☐ Please mark this box if the above address(es) have changed or are updated since the last filing.

Statutory Agent: MARILYNN SHORT

(Name)

1878 W WHITE MOUNTAIN BLVD, LAKESIDE, AZ 85929

(Street)

(City)

(State)

(Zip)

(928) 368-5118

Telephone No. (Include Area Code)

(928) 368-6697

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Attorney: CURTIS, GOODWIN, SULLIVAN, UDALL & SCHWAB PLC

(Name)

928 N SEVENTH ST, PHOENIX, AZ 85006

(Street)

(City)

(State)

(Zip)

(602) 243-0372

Telephone No. (Include Area Code)

(602) 266-8290

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

☐ Please mark this box if the above address(es) have changed or are updated since the last filing.

OWNERSHIP INFORMATION

Check the following box that applies to your company:

☐ Sole Proprietor (S)

☐ C Corporation (C) (Other than Association/Co-op)

☐ Partnership (P)

☐ Subchapter S Corporation (Z)

☐ Bankruptcy (B)

☒ Association/Co-op (A)

☐ Receivership (R)

☐ Limited Liability Company

☐ Other (Describe) _____

COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

☒ APACHE

☐ COCHISE

☐ COCONINO

☒ GILA

☐ GRAHAM

☒ GREENLEE

☐ LA PAZ

☐ MARICOPA

☐ MOHAVE

☒ NAVAJO

☐ PIMA

☐ PINAL

☐ SANTA CRUZ

☐ YAVAPAI

☐ YUMA

☐ STATEWIDE

SERVICES AUTHORIZED TO PROVIDE

Check the following box/es for the services that you are authorized to provide:

☒ **Electric**

- ☐ Investor Owned Electric
- ☐ Rural Electric Cooperative
- ☒ Utility Distribution Company
- ☐ Electric Service Provider
- ☐ Transmission Service Provider
- ☐ Meter Service Provider
- ☐ Meter Reading Service Provider
- ☐ Billing and Collection
- ☐ Ancillary Services
- ☐ Generation Provider
- ☐ Aggregator/Broker

☐ **Telecommunications**

- ☐ Incumbent Local Exchange Carrier
- ☐ Interexchange Carrier
- ☐ Competitive Local Exchange Carrier
- ☐ Reseller
- ☐ Alternative Operator Service Provider

☐ **Gas**

- ☐ Natural Gas
- ☐ Propane

☐ **Other (Specify)** _____

STATISTICAL INFORMATION

TELECOMMUNICATION UTILITIES ONLY

Total residence local exchange access lines	_____
Total business local exchange access lines	_____
Total revenue from Arizona operations	\$ _____
Total income from Arizona operations	\$ _____
Value of assets used to serve Arizona customers	\$ _____
Accumulated depreciation associated with those assets	\$ _____

STATISTICAL INFORMATION (CONT'D)

ELECTRIC UTILITY PROVIDERS ONLY

Total number of customers	35,467	
Residential	32,028	
Commercial	3,358	
Industrial	5	
Public street and highway lighting	23	
Irrigation	53	
Resale		
 Total kilowatt-hours sold	371,822,589	kWh
Residential	202,276,430	
Commercial	132,187,781	
Industrial	29,749,938	
Public street and highway lighting	720,211	
Irrigation	6,888,229	
Resale		
 Maximum Peak Load	71,136	MW

GAS UTILITIES ONLY

Total number of customers		
Residential		
Commercial		
Industrial		
Irrigation		
Resale		
 Total therms sold		therms
Residential		
Commercial		
Industrial		
Irrigation		
Resale		

VERIFICATION
AND
SWORN STATEMENT
Intrastate Revenues Only

RECEIVED

MAR 22 2006

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED
OF THE

COUNTY OF (COUNTY NAME)
NAVAJO
NAME (OWNER OR OFFICIAL) TITLE
PAUL O'DAIR, MANAGER OF FINANCIAL SERVICES
COMPANY NAME
NAVOPACHE ELECTRIC COOPERATIVE, INC.

Z Corporation Commissic
Director of Utilities

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2005

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

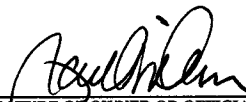
IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2005 WAS:

Arizona Intrastate Gross Operating Revenues Only (\$)

\$ 38,085,369

(THE AMOUNT IN BOX ABOVE
INCLUDES \$ 2,125,255
IN SALES TAXES BILLED, OR COLLECTED)

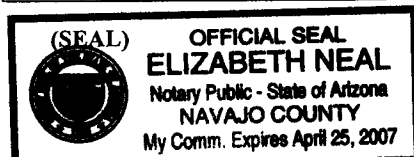
**REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)


SIGNATURE OF OWNER OR OFFICIAL
(928) 368-5118
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS twentieth DAY OF



COUNTY NAME
NAVAJO
MONTH
March
2006


SIGNATURE OF NOTARY PUBLIC

MY COMMISSION EXPIRES

VERIFICATION
AND
SWORN STATEMENT
RESIDENTIAL REVENUE
INTRASTATE REVENUES ONLY

RECEIVED

MAR 22 2006

Z Corporation Commission
Director of Utilities

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME) NAVAJO	
NAME (OWNER OR OFFICIAL)	TITLE
COMPANY NAME	

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2005

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2005 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES
\$ _____

(THE AMOUNT IN BOX AT LEFT
INCLUDES \$ _____
IN SALES TAXES BILLED, OR COLLECTED

*RESIDENTIAL REVENUE REPORTED ON THIS PAGE
MUST INCLUDE SALES TAXES BILLED.

X _____
SIGNATURE OF OWNER OR OFFICIAL

TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

DAY OF

(SEAL)

MY COMMISSION EXPIRES

NOTARY PUBLIC NAME	
COUNTY NAME	
MONTH	, 20__

X _____
SIGNATURE OF NOTARY PUBLIC

FINANCIAL INFORMATION

Attach to this annual report a copy of the companies' year-end (Calendar Year 2005) financial statements. If you do not compile these reports, the Utilities Division will supply you with blank financial statements for completion and filing. **ALL INFORMATION MUST BE ARIZONA-SPECIFIC AND REFLECT OPERATING RESULTS IN ARIZONA.**

- 1) Please find enclosed the annual RUS Form 7 for Navopache Electric Cooperative, Inc. This report includes both Arizona and New Mexico
- 2) Please also find enclosed an estimated only Statement of Operations for Arizona and an estimated only Balance Sheet for Arizona. Navopache does not distinguish or separate Arizona and New Mexico. These are estimates only.

Navopache Electric Cooperative, Inc.
ACC Utilities Division

ARIZONA ESTIMATE ONLY - INTERNAL USE ONLY

		2005	
	statement of operations item	SYSTEM	ARIZONA ESTIMATE
1	operating revenue	\$37,064,268	\$35,960,114
3	cost of power	\$19,085,112	\$18,585,897
4	transmission expense	\$106,522	\$96,378
5	dist expense - operations	\$3,240,086	\$2,931,522
6	dist expense - maintenance	\$1,801,701	\$1,630,119
7	consumer accounts expense	\$2,520,611	\$2,411,768
8	customer service & info.	\$286,657	\$274,279
9	sales expense	\$165,054	\$157,927
10	administrative & general	\$3,510,762	\$3,359,164
11	TOTAL OPERATIONS	\$30,716,505	\$29,447,054
12	depreciation & amortization	\$2,717,911	\$2,575,881
13	tax expense - property	\$13,362	\$12,664
14	tax expense - other	\$47,857	\$46,431
15	interest expense long term	\$1,913,208	\$1,813,229
17	interest expense other	\$30,347	\$28,761
18	other deductions	\$6,507	\$6,226
19	COST OF ELECTRIC SERVICE	\$35,445,697	\$33,930,246
20	OPERATING MARGINS	\$1,618,571	\$2,029,868
21	non-operating margins interest	\$170,010	\$162,669
	non-operating margins	(\$56,292)	(\$53,861)
25	G&T capital credits	\$0	\$0
26	other capital credits	\$69,925	\$66,906
27	extraordinary items	\$0	\$0
28	MARGINS	\$1,802,214	\$2,205,581
	TIER	1.94	2.22

ARIZONA ESTIMATE ONLY - INTERNAL USE ONLY

2005

	balance sheet item	SYSTEM	ARIZONA ESTIMATE
1	total utility plant	\$87,212,781	\$82,133,330
2	construction wip	\$9,988,497	\$9,799,066
3	total utility plant	\$97,201,278	\$91,932,396
4	depreciation & amort.	\$38,702,321	\$36,661,458
5	net utility plant	\$58,498,957	\$55,270,938
8	Invest. in Asso. Org. patronage	\$306,537	\$290,518
9	Invest. in Assoc. org. other general	\$152,601	\$144,627
10	Invest. in Assoc. org. other non-general	\$1,352,542	\$1,281,862
12	other investments	\$45,458	\$45,458
13	special funds	\$0	\$0
14	total other property & investments	\$1,857,138	\$1,762,465
15	cash - general funds	\$429,925	\$414,495
16	cash construction funds	\$5	\$5
17	special deposits	\$285,377	\$285,377
18	temporaty investments	\$3,145,951	\$2,981,553
19	notes receivable - net	\$208,036	\$199,053
20	accounts receivable net	\$2,902,294	\$2,776,970
21	accounts receivable net other	\$0	\$0
22	materials and supplies	\$2,400,335	\$2,336,814
23	prepayments	\$250,077	\$238,380
24	other current and accrued assets	\$163,167	\$154,640
25	total current and accrued assets	\$9,785,167	\$9,387,288
27	deferred debits	\$536,721	\$508,674
28	TOTAL ASSETS & OTHER DEBITS	\$70,677,983	\$66,929,364
29	memberships	\$151,695	\$144,120
30	patronage capital	\$15,560,183	\$14,535,617
31	operating margins prior years	(3,887,296)	(3,719,438)
33	operating margins	\$1,688,496	\$2,099,793
34	non-operating margins	\$113,719	\$105,789
35	other margins & equities	\$832,630	\$796,676
	total margins and equities	\$14,459,427	\$13,962,556
37	long-term debt REA	\$37,960,185	\$35,976,498
40	long-term debt other	\$8,376,914	\$7,939,161
	total long term debt	\$46,337,099	\$43,915,659
43	accumulated operating provisions	\$779,753	\$739,005
44	total other noncurrent liabilities	\$779,753	\$739,005
45	notes payable	\$0	\$0
46	accounts payable	\$2,218,902	\$2,160,463
47	customer deposits	\$638,380	\$610,814
51	other current & accured liaibilities	\$1,247,117	\$1,204,598
48	current maturties long term debt	\$1,816,790	\$1,721,850
	total current & accrued liabilities	\$5,921,189	\$5,697,725
54	deferred credits	\$3,180,515	\$2,614,418
	TOTAL LIABILITIES & OTHER CREDITS	\$70,677,983	\$66,929,364
		0	0